

ATLAS TAPES S.A.

**ANNUAL FINANCIAL REPORT
FOR THE PERIOD FROM THE 1ST OF JANUARY TO
THE 31ST OF DECEMBER 2012**

**ACCORDING TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS**



ATLAS TAPES S.A.

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Independent Auditor's Report

To the Shareholders of **ATLAS TAPES S.A.**

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of the Company ATLAS TAPES S.A., which comprise the separate and consolidated statement of financial position as at 31 December 2012, the separate and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's system of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company ATLAS TAPES S.A. and its subsidiary as at 31 December 2012, and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

We verified the consistency and the correspondence of the content of the Report of the Board of Directors with the accompanying separate and consolidated financial statements, under the legal frame of the articles 43a, 108 and 37 of c.L. 2190/1920.

Athens, March 14th 2013

Dimitrios Ioan. Syrigos
The Chartered Accountant Auditor
Institute of CPA (SOEL) Reg. No. 17001



Associated Certified Public Accountants s.a.
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ATLAS TAPES S.A.

**INCOME STATEMENT
FOR THE YEAR ENDED ON THE 31ST OF DECEMBER 2012**
(Amounts in EURO's, unless stated otherwise)

	Notes	GROUP		COMPANY	
		2012	2011	2012	2011
Sales	1	53.215.878	53.082.330	53.197.783	53.074.517
Cost of Sales	2	(46.765.220)	(47.263.713)	(46.831.632)	(47.334.510)
Gross profit		6.450.658	5.818.617	6.366.151	5.740.007
Other operating income	3	322.852	396.043	322.852	383.463
Administrative Expenses	4	(1.114.836)	(1.112.697)	(1.084.179)	(1.085.131)
Distribution expenses	5	(2.178.269)	(1.933.471)	(2.164.208)	(1.920.687)
Other operating expenses	3	(60.883)	(76.923)	(47.731)	(52.321)
Profit before interest and income tax		3.419.522	3.091.569	3.392.885	3.065.331
Financial Income	6	4.553	13.362	4.553	13.362
Financial Expenses	6	(1.676.593)	(1.471.422)	(1.674.469)	(1.469.991)
Profit before income tax		1.747.482	1.633.509	1.722.969	1.608.702
Income tax expense and Deferred tax	9	(424.844)	(389.102)	(418.577)	(382.563)
Profit for the year		1.322.638	1.244.407	1.304.392	1.226.139

Notes stated on the pages 14 to 22 forming an integral part of these financial statements.

ATLAS TAPES S.A.

**STATEMENT OF FINANCIAL POSITION
AS AT THE 31ST OF DECEMBER 2012**
(Amounts in EURO's, unless stated otherwise)

	Notes	GROUP		COMPANY	
		31.12.2012	31.12.2011	31.12.2012	31.12.2011
ASSETS					
Tangible Assets	10	19.202.177	18.815.925	18.886.933	18.380.007
Intangible Assets	11	-	45.184	-	45.184
Investments in Affiliated Companies	12	-	-	-	-
Other financial assets	13	105.000	-	105.000	-
Other Long-term Receivables	14	62.883	62.256	23.883	23.256
Deferred Tax Receivables	9	327.214	727.130	327.214	727.130
Non-current assets		19.697.274	19.650.495	19.343.030	19.175.577
Total Stock	15	5.565.728	5.743.732	5.537.744	5.716.555
Trade and Other Receivables	16	7.544.268	8.610.822	7.163.627	8.398.236
Financial Assets at fair value through Profit or Loss		1.217	1.571	1.217	1.571
Cash and Cash Equivalents	17	630.211	583.492	629.031	582.783
Current assets		13.741.424	14.939.617	13.331.619	14.699.145
Total Assets		33.438.698	34.590.112	32.674.649	33.874.722
LIABILITIES & EQUITY					
Share Capital (1.295.197 shares per € 3,00 each)	18	3.885.591	3.885.591	3.885.591	3.885.591
Share Capital above par		2.754.581	2.754.581	2.754.581	2.754.581
Reserves		1.071.645	993.820	1.054.687	977.862
Retained Earnings		1.312.644	67.831	1.338.557	110.990
Equity attributable to parent's shareholders (a)		9.024.461	7.701.823	9.033.416	7.729.024
Non-controlling interest (b)		-	-	-	-
Equity c = (a+b)		9.024.461	7.701.823	9.033.416	7.729.024
Liabilities for pension plans	20	488.411	470.985	370.125	349.743
Long – term debt	19	5.939.212	5.686.684	5.939.212	5.686.684
Other long – term liabilities	21	2.020.835	2.333.179	1.770.880	2.029.926
Non – Current Liabilities		8.448.458	8.490.848	8.080.217	8.066.353
Trade and Other Payables	22	11.389.002	13.006.984	10.990.506	12.695.427
Tax Payable	9	6.267	6.539	-	-
Short – Term debt	19	4.570.510	5.383.918	4.570.510	5.383.918
Current Liabilities		15.965.779	18.397.441	15.561.016	18.079.345
Liabilities (d)		24.414.237	26.888.289	23.641.233	26.145.698
Liabilities & Equity (c+d)		33.438.698	34.590.112	32.674.649	33.874.722

Notes stated on the pages 14 to 22 forming an integral part of these financial statements.

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED ON THE 31ST OF DECEMBER 2012**
(Amounts in EURO's, unless stated otherwise)

GROUP	Share Capital	Share Capital above par	Reserves	Retain Earnings	Total
Opening Balance 1st January 2011, according to IFRS –as published-	3.885.591	2.754.581	915.995	(1.098.752)	6.457.415
Net profit/(loss) for the period	-	-	-	1.244.407	1.244.407
Non taxed Reserves	-	-	76.825	-	76.825
Increase of statutory reserve	-	-	1.000	-	1.000
Total comprehensive income for the period	-	-	-	(77.825)	(77.825)
Closing Balance 31/12/2011	3.885.591	2.754.581	993.820	67.831	7.701.823
Opening Balance 1st January 2012, according to IFRS –as published-	3.885.591	2.754.581	993.820	67.831	7.701.823
Net profit/(loss) for the period	-	-	-	1.322.638	1.322.638
Non taxed Reserves	-	-	76.825	-	76.825
Increase of statutory reserve	-	-	1.000	-	1.000
Total comprehensive income for the period	-	-	-	(77.825)	(77.825)
Closing Balance 31/12/2012	3.885.591	2.754.581	1.071.645	1.312.644	9.024.461
COMPANY	Share Capital	Share Capital above par	Reserves	Retain Earnings	Total
Opening Balance 1st January 2011, according to IFRS –as published-	3.885.591	2.754.581	901.037	(1.038.324)	6.502.885
Net profit/(loss) for the period	-	-	-	1.226.139	1.226.139
Non taxed Reserves	-	-	76.825	-	76.825
Total comprehensive income for theperiod	-	-	-	(76.825)	(76.825)
Closing Balance 31/12/2011	3.885.591	2.754.581	977.862	110.990	7.729.024
Opening Balance 1st January 2012, according to IFRS –as published-	3.885.591	2.754.581	977.862	110.990	7.729.024
Net profit/(loss) for the period	-	-	-	1.304.392	1.304.392
Non taxed Reserves	-	-	76.825	-	76.825
Total comprehensive income for theperiod	-	-	-	(76.825)	(76.825)
Closing Balance 31/12/2012	3.885.591	2.754.581	1.054.687	1.338.557	9.033.416

Notes stated on the pages 14 to 22 forming an integral part of these financial statements.

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CASH FLOW STATEMENT FOR THE YEAR ENDED ON THE 31ST OF DECEMBER 2012 (Amounts in EURO's, unless stated otherwise)

	GROUP		COMPANY	
	2012	2011	2012	2011
Cash flows from operating activities				
(Losses) before taxes	1.747.482	1.633.509	1.722.969	1.608.702
Adjustments:				
Depreciation of property, plan and equipment	845.519	828.405	685.688	639.366
Depreciation of intangible assets	45.184	137.433	45.184	137.433
Grants amortization	(103.601)	(149.572)	(103.601)	(149.572)
Provision for securities devaluation	354	1.774	354	1.774
Provision for doubtful debts and obsolete inventories	(180.728)	153.938	(180.923)	153.938
Provision for employee retirement	17.427	(17.235)	20.382	(6.122)
Profit / Loss from sale of tangible assets	-	4.000	-	4.000
Interest income	(4.553)	(13.362)	(4.553)	(13.362)
Interest expense	<u>1.676.593</u>	<u>1.471.422</u>	<u>1.674.469</u>	<u>1.469.991</u>
Profit for the period before the changes in working capital	4.043.677	4.050.312	3.859.969	3.846.148
Changes in Working Capital:				
(Increase) / Decrease in stocks	732.893	(1.467.424)	733.700	(1.454.637)
(Increase) / Decrease in trade receivables	692.393	(530.237)	860.644	(561.044)
Increase / (Decrease) in liabilities	(1.618.253)	1.535.594	(1.704.921)	1.644.820
(Increase) / Decrease in other receivables	(627)	192	(627)	172
Increase / (Decrease) in other liabilities	(53.298)	(72.894)	-	-
Taxes paid	(24.928)	(6.539)	(18.661)	-
Cash flow from operating activities	<u>3.771.857</u>	<u>3.509.004</u>	<u>3.730.104</u>	<u>3.475.459</u>
Cash flow from investing activities				
Purchases of tangible and intangible assets	(911.772)	(382.749)	(872.614)	(348.559)
Investment to other financial assets	(105.000)	-	(105.000)	-
Sale of tangible and intangible assets	-	8.000	-	8.000
Interest Received	4.553	13.362	4.553	13.362
Cash flow from investing activities	<u>(1.012.219)</u>	<u>(361.387)</u>	<u>(973.061)</u>	<u>(327.197)</u>
Cash flow from financing activities				
Interest paid	(1.676.593)	(1.471.422)	(1.674.469)	(1.469.991)
Payment of financial lease liabilities	(387.657)	(209.225)	(387.657)	(209.225)
Repayments of long-term borrowings	252.528	(1.189.908)	252.528	(1.189.908)
Net change in short-term borrowings	(901.197)	61.596	(901.197)	61.596
Cash flow from financing activities	<u>(2.712.919)</u>	<u>(2.808.959)</u>	<u>(2.710.795)</u>	<u>(2.807.528)</u>
(Decrease) / increase in cash and cash equivalents	46.719	338.658	46.248	340.734
Cash and cash equivalent at the beginning of the period	583.492	244.834	582.783	242.049
Cash and cash equivalent at the end of the period	630.211	583.492	629.031	582.783

Notes stated on the pages 14 to 22 forming an integral part of these financial statements.

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ANNUAL FINANCIAL REPORT FOR THE PERIOD FROM 1ST OF JANUARY TO THE 31ST OF DECEMBER 2012 (Amounts in EURO's, unless stated otherwise)

1. Sales

The basic categories of sales analyzed as follows:

	GROUP		COMPANY	
	2012	2011	2012	2011
Sales of goods	795.385	678.999	777.290	671.186
Sales of finished and semi-finished products	51.778.992	51.959.438	51.778.992	51.959.438
Sales of other inventory	641.501	443.893	641.501	443.893
Total sales	53.215.878	53.082.330	53.197.783	53.074.517

2. Cost of Goods Sold (COGS)

Cost of sales consists of the cost of goods sold, the cost of consumed raw and auxiliary materials for the production of finished goods, the cost of direct labor and the overhead costs for the year.

	GROUP		COMPANY	
	2012	2011	2012	2011
Cost of Sales	46.765.220	47.263.713	46.831.632	47.334.510

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ANNUAL FINANCIAL REPORT FOR THE PERIOD FROM 1ST OF JANUARY TO THE 31ST OF DECEMBER 2012 (Amounts in EURO's, unless stated otherwise)

3. Other operating Income / (Expense)

Other operating income and expenses analyzed as follows:

	GROUP		COMPANY	
	2012	2011	2012	2011
Other operating Income				
Grants and other Income	1.350	26.190	1.350	24.141
Income from sequential activities	182.673	144.731	182.673	144.731
Grants amortization	103.601	149.572	103.601	149.572
Compensations	2.802	48.388	2.802	48.388
Other	32.426	27.162	32.426	16.631
Total income	322.852	396.043	322.852	383.463
Other operating Expenses				
Securities valuation differences	(354)	(1.774)	(354)	(1.774)
Losses from sale of vehicles	-	(4.000)	-	(4.000)
Other	(60.529)	(71.149)	(47.377)	(46.547)
Total Expenses	(60.883)	(76.923)	(47.731)	(52.321)
Net Income / (Expense)	261.969	319.120	275.121	331.142

4. Administrative Expenses

Administrative expenses can be analyzed as follows:

	GROUP		COMPANY	
	2012	2011	2012	2011
Salaries	381.550	294.415	384.506	305.527
Third party expenses	494.141	441.194	473.106	419.009
Third party benefits	102.167	80.861	97.767	76.597
Other expenses	98.965	156.582	95.504	152.490
Depreciation	34.160	119.558	29.638	111.421
Other I.F.R.S. adjustments	3.853	20.087	3.658	20.087
Total	1.114.836	1.112.697	1.084.179	1.085.131

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ANNUAL FINANCIAL REPORT FOR THE PERIOD FROM 1ST OF JANUARY TO THE 31ST OF DECEMBER 2012 (Amounts in EURO's, unless stated otherwise)

5. Distribution expenses

Distribution expenses can be analyzed as follows:

	Ο ΟΜΙΛΟΣ		Η ΕΤΑΙΡΕΙΑ	
	2012	2011	2012	2011
Salaries	227.734	214.734	227.734	214.734
Third party expenses	212.538	125.423	212.538	125.423
Third party benefits	72.049	73.119	70.120	71.571
Other expenses	1.540.389	1.428.503	1.528.257	1.417.267
Depreciation	28.775	27.755	28.775	27.755
Other I.F.R.S. adjustments	96.784	63.937	96.784	63.937
Total	2.178.269	1.933.471	2.164.208	1.920.687

6. Financial (Expenses) – Income

Financial (expenses) / income can be analyzed as follows:

	GROUP		COMPANY	
	2012	2011	2012	2011
<u>Financial Expenses</u>				
Long-term loan interest	(478.481)	(446.204)	(478.481)	(446.204)
Short-term loan interest	(381.470)	(395.300)	(381.470)	(395.300)
Exchange rate differences	(11.758)	(6.289)	(11.758)	(6.289)
Factoring	(443.752)	(384.757)	(443.752)	(384.757)
Financial Leases	(164.658)	(108.344)	(164.658)	(108.344)
Other financial expenses	(196.474)	(130.528)	(194.350)	(129.097)
Total	(1.676.593)	(1.471.422)	(1.674.469)	(1.469.991)
<u>Financial Income</u>				
Securities Income	119	166	119	166
Other interest income	4.270	2.230	4.270	2.230
Exchange rate differences	164	10.966	164	10.966
Total	4.553	13.362	4.553	13.362
Net Financial (Expense) / Income	(1.672.040)	(1.458.060)	(1.669.916)	(1.456.629)

7. Depreciation

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ANNUAL FINANCIAL REPORT FOR THE PERIOD FROM 1ST OF JANUARY TO THE 31ST OF DECEMBER 2012 (Amounts in EURO's, unless stated otherwise)

Depreciation for the period are as follows:

	GROUP		COMPANY	
	2012	2011	2012	2011
Depreciation of tangible assets (Note 10)	845.520	828.405	685.688	639.366
Depreciation of intangible assets (Note 11)	45.184	137.433	45.184	137.433
	890.704	965.838	730.872	776.799

Depreciation of assets has been distributed
as follows:

Administrative expenses (Note 4)	34.160	119.558	29.638	111.421
Distribution expenses (Note 5)	28.775	27.755	28.775	27.755
Production function	827.769	818.525	672.459	637.623
	890.704	965.838	730.872	776.799

8. Payroll cost

Payroll cost recognized on the financial statement analyzed as follows:

	GROUP		COMPANY	
	2012	2011	2012	2011
Employment cost	3.662.830	3.496.551	2.926.152	2.618.249
Employer contribution cost	1.020.210	946.983	805.397	692.815
Redundancy payment or termination of service cost	57.156	83.834	41.982	42.501
Provision for personnel compensation	17.426	(17.234)	20.382	(6.122)
	4.757.622	4.510.134	3.793.913	3.347.443

Payroll cost has been distributed as follows:

Administrative expenses (Note 4)	381.550	294.415	384.506	305.527
Distribution expenses (Note 5)	227.734	214.734	227.734	214.734
Production function	4.148.338	4.000.985	3.181.673	2.827.182
	4.757.622	4.510.134	3.793.913	3.347.443

9. Income and Deferred Tax

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ANNUAL FINANCIAL REPORT FOR THE PERIOD FROM 1ST OF JANUARY TO THE 31ST OF DECEMBER 2012 (Amounts in EURO's, unless stated otherwise)

According to Greek tax law, the applicable to public companies tax rate for use in 2012 is 20%.

Tax returns submitted annually, yet the declared, for tax purposes, profits or losses remain provisional until the tax authorities examine company's tax returns and records, where company's related tax liabilities will be cleared. The unaudited by tax authorities fiscal years stated under Note 23.

Income Tax and deferred Taxation are stated as follows:

	GROUP		COMPANY	
	2012	2011	2012	2011
Income Tax for the period	(6.267)	(6.539)	-	-
Change of deferred taxation	(399.916)	(382.563)	(399.916)	(382.563)
Other taxes	(18.661)	-	(18.661)	-
Total	(424.844)	(389.102)	(418.577)	(382.563)

Deferred income tax is determined according to the liability method which derives from the temporary differences between the book value and the tax base of assets or liabilities.

Deferred tax assets and liabilities analyzed as follows:

GROUP AND COMPANY

	1 st of January 2011	Credit / (Debit) on Income Statement	31 st of December 2011
Deferred tax assets:			
Intangible assets	265.204	(38.272)	226.932
Provision for stock obsolescence	384.000	4.700	388.700
Provision for employee compensation	85.408	(4.967)	80.441
Provision for bad debts	112.912	(51.031)	61.881
Deferred tax asset on losses for the period	429.284	(185.047)	244.237
	1.276.808		1.002.191
Deferred tax liabilities:			
Tangible assets	(42.350)	(92.851)	(135.201)
Grants	(39.270)	(15.095)	(54.365)
Provision for unaudited fiscal years from tax authorities	(85.495)	-	(85.495)
Net Deferred Tax Asset	1.109.693	(382.563)	727.130

	1 st of January 2012	Credit / (Debit) on Income Statement	31 st of December 2012
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ATLAS TAPES S.A.**ANNUAL FINANCIAL REPORT FOR THE PERIOD FROM
1ST OF JANUARY TO THE 31ST OF DECEMBER 2012**

(Amounts in EURO's, unless stated otherwise)

Deferred tax assets:

Intangible assets	226.932	(70.434)	156.498
Provision for stock obsolescence	388.700	(161.678)	227.022
Provision for employee compensation	80.441	(6.416)	74.025
Provision for bad debts	61.881	13.524	75.405
Deferred tax asset on losses for the period	244.237	(118.965)	125.272
	<u>1.002.191</u>		<u>658.222</u>

Deferred tax liabilities:

Tangible assets	(135.201)	(57.682)	(192.883)
Grants	(54.365)	1.735	(52.630)
Provision for unaudited fiscal years from tax authorities	(85.495)	-	(85.495)
Net Deferred Tax Asset	<u>727.130</u>	<u>(399.916)</u>	<u>327.214</u>

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**ANNUAL FINANCIAL REPORT FOR THE PERIOD FROM
1ST OF JANUARY TO THE 31ST OF DECEMBER 2012**
(Amounts in EURO's, unless stated otherwise)

10. Tangible Assets

GROUP

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Vehicles</u>	<u>Furniture & other equipment</u>	<u>Tangible assets under construction</u>	<u>Total</u>
Acquisition Cost							
Value as at 01/01/2011	1.609.837	7.830.047	9.801.577	251.730	639.749	41.429	20.174.369
Additions	-	18.856	1.245.238	5.210	92.728	143.396	1.505.428
Sales / reduction	-	-	-	(60.000)	-	(41.429)	(101.429)
Total 31/12/2011	1.609.837	7.848.903	11.046.815	196.940	732.477	143.396	21.578.368
Accumulated depreciation							
Value as at 01/01/2011	-	213.667	1.186.048	150.949	431.374	-	1.982.038
Depreciation	-	152.524	579.352	34.308	62.221	-	828.405
Sales / Reduction	-	-	-	(48.000)	-	-	(48.000)
Total 31/12/2011	-	366.191	1.765.400	137.257	493.595	-	2.762.443
Net Book Value as at 31/12/2011	1.609.837	7.482.712	9.281.415	59.683	238.882	143.396	18.815.925
Acquisition Cost							
Value as at 01/01/2012	1.609.837	7.848.903	11.046.815	196.940	732.477	143.396	21.578.368
Additions	-	77.548	573.184	39.400	29.861	545.369	1.265.362
Sales / reduction	-	-	-	-	-	(33.590)	(33.590)
Total 31/12/2012	1.609.837	7.926.451	11.619.999	236.340	762.338	655.175	22.810.140
Accumulated depreciation							
Value as at 01/01/2012	-	366.191	1.765.400	137.257	493.595	-	2.762.443
Depreciation	-	153.509	603.403	22.807	65.801	-	845.520
Sales / Reduction	-	-	-	-	-	-	-
Total 31/12/2012	-	519.700	2.368.803	160.064	559.396	-	3.607.963
Net Book Value as at 31/12/2012	1.609.837	7.406.751	9.251.196	76.276	202.942	655.175	19.202.177

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COMPANY

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Vehicles</u>	<u>Furniture & other equipment</u>	<u>Tangible assets under construction</u>	<u>Total</u>
Acquisition Cost							
Value as at 01/01/2011	1.609.837	7.629.616	8.683.608	251.730	624.299	41.429	18.840.519
Additions	-	18.856	1.245.238	5.210	92.128	109.806	1.471.238
Sales / reduction	-	-	-	(60.000)	-	(41.429)	(101.429)
Total 31/12/2011	<u>1.609.837</u>	<u>7.648.472</u>	<u>9.928.846</u>	<u>196.940</u>	<u>716.427</u>	<u>109.806</u>	<u>20.210.328</u>
Accumulated depreciation							
Value as at 01/01/2011	-	185.680	484.684	150.949	417.642	-	1.238.955
Depreciation	-	129.812	414.400	34.308	60.846	-	639.366
Sales / Reduction	-	-	-	(48.000)	-	-	(48.000)
Total 31/12/2011	<u>-</u>	<u>315.492</u>	<u>899.084</u>	<u>137.257</u>	<u>478.488</u>	<u>-</u>	<u>1.830.321</u>
Net Book Value as at 31/12/2011	<u>1.609.837</u>	<u>7.332.980</u>	<u>9.029.762</u>	<u>59.683</u>	<u>237.939</u>	<u>109.806</u>	<u>18.380.007</u>
Acquisition Cost							
Value as at 01/01/2012	1.609.837	7.648.472	9.928.846	196.940	716.427	109.806	20.210.328
Additions	-	4.800	573.184	39.400	29.861	545.369	1.192.614
Sales / reduction	-	-	-	-	-	-	-
Total 31/12/2012	<u>1.609.837</u>	<u>7.653.272</u>	<u>10.502.030</u>	<u>236.340</u>	<u>746.288</u>	<u>655.175</u>	<u>21.402.942</u>
Accumulated depreciation							
Value as at 01/01/2012	-	315.492	899.084	137.257	478.488	-	1.830.321
Depreciation	-	130.797	466.786	22.807	65.298	-	685.688
Sales / Reduction	-	-	-	-	-	-	-
Total 31/12/2012	<u>-</u>	<u>446.289</u>	<u>1.365.870</u>	<u>160.064</u>	<u>543.786</u>	<u>-</u>	<u>2.516.009</u>
Net Book Value as at 31/12/2012	<u>1.609.837</u>	<u>7.206.983</u>	<u>9.136.160</u>	<u>76.276</u>	<u>202.502</u>	<u>655.175</u>	<u>18.886.933</u>

11. Intangible Assets

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	<u>GROUP</u>	<u>COMPANY</u>
	<u>SOFTWARE</u>	<u>SOFTWARE</u>
Acquisition Cost		
Value as at 01/01/2011	540.502	540.502
Additions	-	-
Total 31/12/2011	540.502	540.502
Accumulated depreciation		
Value as at 01/01/2011	357.884	357.884
Depreciation	137.433	137.433
Total 31/12/2011	495.317	495.317
Net Book Value as at 31/12/2011	45.184	45.184
Acquisition Cost		
Value as at 01/01/2012	540.502	540.502
Additions	-	-
Total 31/12/2012	540.502	540.502
Accumulated depreciation		
Value as at 01/01/2012	495.317	495.317
Depreciation	45.185	45.185
Total 31/12/2012	540.502	540.502
Net Book Value as at 31/12/2012	-	-

12. Investments in affiliated companies

Investments in affiliated companies are as follows:

	<u>COMPANY</u>	
	<u>31/12/2012</u>	<u>31/12/2011</u>
P. LANTZIS S.A.	2.000.000	2.000.000
Less: Provision for investment devaluation	(2.000.000)	(2.000.000)
Total	0	0
Percentage of participation (%) & location:		
P. LANTZIS S.A. – Atalanti	100%	100%

13. Other financial assets

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	GROUP / COMPANY	
	31/12/2012	31/12/2011
Bank PROBANK SA	105.000	-
Total	105.000	-

It concerns the acquisition of 131.250 common stock of Bank PROBANK SA.

14. Other long-term receivables

Other long-term receivables are analyzed as follows:

	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Given Guaranties (Public Company of Electricity, rents, custom deposits etc.)	62.883	62.256	23.883	23.256
Total	62.883	62.256	23.883	23.256

15. Stock

Stock main categories of stock are as follows:

	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Goods	6.249	13.676	6.249	13.676
Finished and Semi-finished products	1.698.249	2.059.452	1.698.249	2.059.452
Raw & auxiliary materials – Packaging materials	4.183.354	4.512.463	4.155.370	4.485.286
Advances for purchases of stock	812.987	848.141	812.987	848.141
Less: Provision for obsolete and scrap, materials	(1.135.111)	(1.690.000)	(1.135.111)	(1.690.000)
Total	5.565.728	5.743.732	5.537.744	5.716.555

16. Customers and advance payments

Customers and prepayments analyzed as follows:

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	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Customers	7.465.484	8.112.786	7.607.670	8.403.230
Cheques receivables	785.541	870.108	785.541	870.108
Prepaid expenses / Accrued income	603.162	635.320	107.103	153.950
Advances for inventory and/or trade creditors	8.310	3.760	8.310	3.760
Other trade receivables	659.470	592.386	470.087	408.306
Less: Provision for bad debt	<u>(1.977.699)</u>	<u>(1.603.538)</u>	<u>(1.815.084)</u>	<u>(1.441.118)</u>
Total	<u>7.544.268</u>	<u>8.610.822</u>	<u>7.163.627</u>	<u>8.398.236</u>

17. Cash and cash equivalents

Cash and cash equivalents analyzed as follows:

	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Cash	51.644	101.661	50.938	101.356
Bank deposits	<u>578.567</u>	<u>481.831</u>	<u>578.093</u>	<u>481.427</u>
Total	<u>630.211</u>	<u>583.492</u>	<u>629.031</u>	<u>582.783</u>

18. Share capital

On the 31st of December 2012, the total amount of the Company's share capital amounts to 3.885.591 Euro divided into 1.295.197 common shares of nominal value of 3 euro each.

	Number of Shares	Share Capital (euro)
Balanced as at 1/1/2011	1.295.197	3.885.591
Share Capital increase	<u>-</u>	<u>-</u>
Balanced as at 31/12/2011	1.295.197	3.885.591
Share Capital increase	<u>-</u>	<u>-</u>
Balanced as at 31/12/2012	<u>1.295.197</u>	<u>3.885.591</u>

Common stock shareholder are entitled to dividends per share for each and every share they own, when the Annual General Meeting decides to distribute dividends.

19. Long and Short term debt

Liabilities from long-term loans are analyzed as follows:

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Long-term loan	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Long-term loans	6.551.966	7.073.155	6.551.966	7.073.155
Less: Long-term loan liabilities payable within one year	<u>(612.754)</u>	<u>(1.386.471)</u>	<u>(612.754)</u>	<u>(1.386.471)</u>
Total	<u>5.939.212</u>	<u>5.686.684</u>	<u>5.939.212</u>	<u>5.686.684</u>

Information about long-term loans stated in the table below:

LONG-TERM LOAN	Currency	Interest	Maturity	31/12/2012	31/12/2011
MILLENNIUM ACC. 8844955	Euro	3M EURIBOR + 3,50% + 0,6% CONTRIBUTION	2013	124.194	445.353
MILLENNIUM ACC. 9315351	Euro	3M EURIBOR + 4,00% + 0,6% CONTRIBUTION	2025	2.118.996	2.206.711
MILLENNIUM ACC. 9933137	Euro	3M EURIBOR + 4,00% + 0,6% CONTRIBUTION	2025	690.422	723.675
MILLENNIUM ACC. 9932999	Euro	3M EURIBOR + 3,50% + 0,6% CONTRIBUTION	2025	332.120	350.072
MILLENNIUM ACC. 9932692	Euro	3M EURIBOR + 4,00% + 0,6% CONTRIBUTION	2025	1.553.441	1.628.261
MILLENNIUM ACC. 10665406	Euro	3M EURIBOR + 5,00% + 0,6% CONTRIBUTION	2017	884.039	889.323
MILLENNIUM ACC. 10988379	Euro	3M EURIBOR + 5,00% + 0,6% CONTRIBUTION	-	848.754	829.760
Total				<u>6.551.966</u>	<u>7.073.155</u>

Short-term loans	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Bank loans	3.494.471	3.621.951	3.494.471	3.621.951
Over: Long-term liabilities payable within one year				
- Long-term loan	612.754	1.386.471	612.754	1.386.471
- Financial leases	463.285	375.496	463.285	375.496
Total	<u>4.570.510</u>	<u>5.383.918</u>	<u>4.570.510</u>	<u>5.383.918</u>

20. Provision for employee compensation

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Group employees are covered by state insurance funds. Each employee is obliged to pay a percentage of their monthly salary to pension funds. Group companies is also required to pay a percentage on pension funds. On employee's retirement, insurance funds pay back the employee the legal or implied amount. State insurance programmes are encountered as defined contribution scheme (or plan) for the Group which recognizes their contribution as an expense.

The contribution of Group and Company's pension funds for the year ended on the 31st of December 2012 amounted to € 1.020.210 and € 805.397 respectively. The relevant amounts for the year ended 2011 were € 946.983 and € 692.815 respectively.

Under Greek labor law, employees are entitled to redundancy or dismissal without cause pension whose amount is related to the employees' remuneration, duration of service and nature of termination (dismissal or retirement).

Employees who resign or dismissed with cause, are not entitled to compensation. The compensation in case of retirement is equal to 40% of the amount to be paid in case of dismissal without cause.

Provision for personnel compensation due to retirement, treated in the financial statements as a defined benefit plan based on an independent actuarial study.

Provision for personnel compensation due to retirement, for the year ended the 31st of December 2012, based on an estimate according to the actuarial study conducted for the purposes of I.A.S. 19 for the fiscal year 2008, taking into account the changes in Group companys' personnel.

GROUP AND COMPANY

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
The amounts recognized on the Balance Sheet are as follows:				
Beginning of the period	470.985	488.220	349.743	355.865
Changes during the period	17.426	(17.235)	20.382	(6.122)
Net liability recognized on the Balance Sheet	488.411	470.985	370.125	349.743

21. Other long-term liabilities

Other long term liabilities analyzed as follows:

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	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Government Grants	460.950	564.551	460.950	564.551
Financial leasing liabilities	1.309.930	1.465.375	1.309.930	1.465.375
Pension funds obligation	249.955	303.253	-	-
Total	2.020.835	2.333.179	1.770.880	2.029.926

Government Grants:

	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Balance at the begging of the period	564.551	714.123	564.551	714.123
Grants amortization	(103.601)	(149.572)	(103.601)	(149.572)
Total	460.950	564.551	460.950	564.551

Grants amortization: concern,

- Amortization of grants received in prior years € 26.776 which appears into the income statement.
- Grant amortization of € 76.825 (Law No.3299/2004) which transferred into equity (untaxed reserves) through income statement.

Financial lease liabilities:

	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Principal liability	1.840.871	968.847	1.840.871	968.847
Plus: Additions for the period	320.000	1.081.250	320.000	1.081.250
Less: Payments for the period	(387.656)	(209.226)	(387.656)	(209.226)
	1.773.215	1.840.871	1.773.215	1.840.871
Less: Long-term liabilities payable within one year	(463.285)	(375.496)	(463.285)	(375.496)
Total	1.309.930	1.465.375	1.309.930	1.465.375

Initial liability concerns financial lease of machinery worth € 1.040.000 (2010) and € 1.081.250 (2011) with five (5) years duration. Additions for the period derives from financial lease of machinery worth € 320.000 with five (5) years duration.

Pension funds obligation:

Concerns the installments related to a settlement with Social Insurance Institution derived from the subsidiary P. Lantzis SA for the period 1/1/2014 to 31/7/2017.

22. Suppliers and other liabilities

Suppliers and other liabilities analyzed as follows:

GROUP	COMPANY
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	<u>31/12/2012</u>	<u>31/12/2011</u>	<u>31/12/2012</u>	<u>31/12/2011</u>
Suppliers	2.584.976	1.656.682	2.472.661	1.606.689
Notes payable	2.239.980	2.831.083	2.239.980	2.831.083
Cheques payable (post dated)	5.573.495	7.206.555	5.573.495	7.206.555
Other trade payables	125.679	121.892	97.785	94.023
Customers' advances	159.773	587.873	159.773	587.873
Insurance companies	288.890	273.288	179.959	159.426
Other taxes	156.376	121.040	46.598	33.674
Accrued expenses	249.544	191.993	209.966	159.526
Other prepayments and accrued liabilities	10.289	16.578	10.289	16.578
Total	<u>11.389.002</u>	<u>13.006.984</u>	<u>10.990.506</u>	<u>12.695.427</u>

23. Contingent Liabilities

Group does not have contingent liabilities arising from the ordinary course of business. There are no material legal cases pending that could have significant impact on Group's financial statements.

The fiscal years that have not been inspected by the tax authorities for each of the Group's companies are as follows:

	<u>Unaudited Fiscal.Years*</u>
ATLAS TAPES S.A.	2008 – 2010
P. LANTZIS S.A.	2010 - 2012

* Unaudited Fiscal Years from Tax Authorities

a) For the year 2012, the Company has been subject to tax audit by Chartered Accountants as required by the provision of Article 82 paragraph 5 of the Income Tax Code. This task is in progress and the related tax certificate expected to be granted after the publication of 2012 financial statements. If additional tax liabilities generated at the completion of tax audit, we do not expect them to have a material impact on Group and Company's financial statements.

b) For the fiscal years 2008-2010 adequate provisions have been made, amounting to € 85.495, for possible additional taxes and fees that may result from future tax audits.

24. Post Balance Sheet Events

There are no significant post Balance Sheet events that would have major impact into the Group's or Company's financial position.